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PRESS RELEASE

**JODY CHUBBS PLEADS GUILTY TO BANK FRAUD AND CREDIT
CARD FRAUD**

Colm F. Connolly, United States Attorney for the District of Delaware, announced that federal defendant, Jody Chubbs, age 32, pleaded guilty today to eight counts of bank fraud and seven counts of credit card fraud. The plea marked the culmination of a multi-year investigation by the Delaware State Police and the United States Secret Service.

During the plea hearing, Ms. Chubbs admitted to orchestrating four separate fraudulent schemes that spanned from 2000 until August 2007. In the first scheme, which occurred between 2000 and 2002, Ms. Chubbs used her position as bookkeeper, office manager, and controller for the CVM Corporation to steal \$132,939 of company money by writing checks on the corporate account for her own personal expenses, by forging signatures to write checks payable to herself, and by electronically transferring money from the corporate accounts to her own personal bank accounts.

In the second scheme, Ms. Chubbs admitted that between March 2006 and May 2007, she deposited worthless checks into a series of business checking accounts at Commerce Bank, Wachovia Bank, Sun National Bank, Citizens Bank, and Artisans' Bank and then withdrew the money before bank officials realized that the checks were no good. In this way, Ms. Chubbs caused nearly \$200,000 in losses for the banks.

Further, in 2007, Ms. Chubbs operated a towing business, Chubbs Towing, LLC, out of her home in Middletown, Delaware. As part of her third fraudulent scheme, Ms. Chubbs admitted to making unauthorized charges on Chubbs Towing customer credit cards. Ms. Chubbs intentionally double-charged the customers, or added a decimal place to the amounts charged, and then withdrew the money from her checking account before the customers discovered the fraud. Through this scheme she caused nearly \$30,000 in loss.

Finally, between June and August of 2007, Chubbs executed a fourth scheme to defraud Bank of America and Sovereign bank by opening a merchant account in another person's name. She used this account to process fraudulent credit card charges, and then direct deposited the funds into a series of accounts at Bank of America and Sovereign Bank. Once again, she withdrew the money before the customers reported the transactions as fraudulent.

Ms. Chubbs faces up to thirty years in prison for the bank fraud counts, and up to fifteen years in prison for the credit card fraud.

Connolly praised the efforts of the Delaware State Police and United States Secret Service for their work in investigating and prosecuting these crimes.

For further information, please contact Assistant United States Attorney Ilana Eisenstein.

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